

Village of Rosedale, Louisiana**Annual Financial Statements****Year ended December 31, 2006**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 7/18/07

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and
Members of the Board of Aldermen
Village of Rosedale, Louisiana

I have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Village of Rosedale, Louisiana, as of and for the year ended December 31, 2006, which collectively comprise the Village's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Village's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, and each major fund of the Village of Rosedale, Louisiana as of December 31, 2006, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis on pages 5 through 11 and budgetary comparison schedules on pages 31 and 32 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, I did not audit the information and express no opinion on it.

In accordance with *Government Auditing Standards*, I have also issued my report dated June 20, 2007 on my consideration of the Village of Rosedale's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of my audit.

My audit was made for the purpose of forming an opinion on the financial statements that collectively comprise the Village of Rosedale, Louisiana's basic financial statements. Management's Discussion and Analysis, and the budgetary comparison schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The budgetary comparison schedules have been subjected to auditing procedures applied in the audit of the basic financial statements and, in my opinion are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

W. Kathleen Beard

Certified Public Accountant

June 20, 2007

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**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL
OVER FINANCIAL REPORTING BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Honorable Mayor and
Members of the Board of Aldermen
Village of Rosedale, Louisiana

I have audited the financial statements of the governmental activities, the business-type activities, and each major fund of the of the Village of Rosedale, Louisiana, as of and for the year ended December 31, 2006, which collectively comprise the Village of Rosedale's basic financial statements, and have issued my report thereon dated June 20, 2007. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the Village of Rosedale, Louisiana's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village of Rosedale, Louisiana's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Village of Rosedale, Louisiana's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Village of Rosedale, Louisiana's ability to initiate, authorize, record, process, or report financial data reliably, in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Village of Rosedale, Louisiana's financial statements that is more than inconsequential will not be prevented or detected by the Village of Rosedale, Louisiana's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Village of Rosedale, Louisiana's internal control.

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses as defined above.

Compliance

As part of obtaining reasonable assurance about whether the Village of Rosedale, Louisiana's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

This report is intended for the information of the mayor and members of the Board of Aldermen of the Village of Rosedale, Louisiana and the Legislative Auditor of the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

W. Kathleen Beard

Certified Public Accountant

June 20, 2007

VILLAGE OF ROSEDALE

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited) As of and for the Year Ended December 31, 2006

Our analysis of the Village of Rosedale's financial performance provides an overview of the Village's financial activities for the year ended December 31, 2006. Please read it in conjunction with the Village's financial statements, which begin on page 12. The Management's Discussion and Analysis (MD&A) focuses on the current year's activities, resulting changes, and currently known facts.

Using This Annual Report

With the implementation of Governmental Accounting Standards Board Statement No. 34 (GASB 34), a government's presentation of financial statements has been greatly changed. This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (on pages 12 and 13) provide information about the activities of the Village as a whole and present a longer-term view of the Village's finances. This information is presented in a way to determine if the Village is in better condition as a result of the year's financial operations. Fund financial statements start on page 14. For governmental activities, these statements provide information on how these activities were financed in the short-term as well as what remains for future spending. Fund financial statements report the Village's operations in more detail than the government-wide statements.

Reporting on the Village as a Whole

Our analysis of the Village as a whole begins on page 7 with the Statement of Net Assets and the Statement of Activities. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Village's net assets and changes in them. Net assets – the difference between assets (what the Village owns) and liabilities (what the Village owes) is a way to measure the financial position of the Village. Over time, increases or decreases in the Village's net assets are one indicator of whether the Village's financial position is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the Village's sales tax base and the condition of the village's roads and buildings, to assess the overall position of the Village.

In the Statement of Net Assets and the Statement of Activities, the Village is divided into two kinds of activities:

Governmental activities – Most of the Village's basic services are reported here, including public safety, roads and street, debt service and general administration. Sales taxes, franchise fees, occupational licenses and federal and state grants finance most of these activities.

Business-type activities – The Village charges a fee to customers to help it cover all or most of the cost of certain services it provides. The Village's water system is reported here.

Reporting the Village's Most Significant Funds

Our analysis of the Village's major funds begins on page 9. The fund financial statements provide more detailed information about the most significant funds – not the Village as a whole. Some funds are required to be established by State law and by bond covenants. However, the Village Board of Aldermen establishes other funds to help it control and manage money for particular purposes or to meet legal responsibilities for using certain taxes, grants and other money. The Village's two kinds of funds – *governmental* and *proprietary* – use different accounting approaches.

Governmental funds – Governmental funds focus on how money flows into and out of the funds and the balances left at year-end that are available for spending. Most of the Village's basic services are reported in governmental funds. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial* assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term* view of the Village's general government operations and the basic services it provides. Governmental fund information helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the Village's programs. We describe the relationship (or differences) between governmental *activities* (reported in the Statement of Net Assets and the Statement of Activities) and governmental *funds* in a reconciliation following the fund financial statements.

Proprietary funds – When the Village charges customers for the services it provides – whether to outside customers or to other units of the Village – these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Assets and the Statement of Activities. In fact, the Village's enterprise funds (a component of proprietary funds) are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash-flows, for proprietary funds.

Notes to the financial statements – The notes provide additional information that is essential to fully understand the data provided in the government-wide and fund financial statements. The notes to the financial statements are a required part of the basic financial statements.

Other information – In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning original and budgetary comparisons to actual results for the year for the Village's most significant funds.

FINANCIAL HIGHLIGHTS

The major financial highlights for 2006 are as follows:

- Assets of the Village's primary government exceeded its liabilities at the end of the year by approximately \$2,448,000 (net assets). Of this amount, approximately \$397,900 (unrestricted) may be used without restrictions to meet the Village's ongoing obligations to its citizens and creditors. \$155,048 is restricted by the Special Revenue – Fire Protection fund committed to fire protection.
- The primary government's total net assets increased by approximately \$170,400 during 2006.
- Governmental activities' net assets increased by \$153,638, primarily from increased sales tax revenues of \$168,700.
- Business-type net assets increased by approximately \$16,775.

COMPARATIVE ANALYSIS OF FINANCIAL DATA

Detailed below is an analysis of the Village's Statement of Net Assets.

VILLAGE OF ROSEDALE Statement of Net Assets December 31, 2006 and 2005

	Governmental Activities 2006	Business-type Activities 2006	Total 2006	2005
Current and other Assets	\$ 383,965	\$ 83,797	\$ 467,762	\$ 241,138
Capital Assets	1,377,257	672,846	2,050,103	2,057,515
Total assets	<u>1,761,222</u>	<u>756,643</u>	<u>2,517,865</u>	<u>2,298,653</u>
Current and other liabilities	30,556	39,299	69,855	21,051
Total liabilities	<u>30,556</u>	<u>39,299</u>	<u>69,855</u>	<u>21,051</u>
Net assets:				
Invested in capital assets,				
Net of related debt	1,222,212	672,846	1,895,058	1,953,982
Restricted	155,048	-	155,048	103,532
Unrestricted	353,408	44,499	397,907	220,086
Total net assets	<u>\$ 1,730,668</u>	<u>\$ 717,345</u>	<u>\$ 2,448,013</u>	<u>\$ 2,277,601</u>

Net assets of the Village's governmental activities increased by 9.74%, or \$153,638 during 2006. The \$353,408 in unrestricted net assets of governmental activities represents the accumulated result of operations.

The net assets of the Village's business-type activities increased by approximately \$16,775, or 2.4% during 2006. The Village operates two water wells and a water distribution system. System improvements in prior years were funded through grants through the Governor's Office of Community Development, Louisiana Community Development Block Grant (LCDBG) program, and through the Governor's Office of Rural Development program. These grant funds allowed the Village to adjust its user fees to a lower level and to pass these savings on to system customers. Depreciation associated with these improvements (approximately \$45,000) is not recovered through user fees, resulting in a deficit in operations of approximately \$29,400.

The results of the year's operations for the primary government as a whole as reported in the statement of Changes in Net Assets, are as follows:

VILLAGE OF ROSEDALE
Changes in Net Assets
For the Year Ended December 31, 2006 and 2005

	Governmental Activities 2006	Business-type Activities 2006	Total 2006	2005
Revenues:				
Program Revenues:				
Charges for services	\$ 12,210	\$ 45,326	\$ 57,536	\$ 53,434
Capital grants and contributions	39,372	35,985	75,357	18,520
General Revenues:				
Sales taxes	468,797	-	468,797	300,093
Other general revenues	56,992	10,241	67,233	67,489
Total revenues	577,372	91,552	668,924	439,536
Functions/Program expenses:				
General government	139,057		139,057	141,369
Public safety	148,146		148,146	122,126
Public services	133,338		133,338	154,765
Culture and recreation	3,193		3,193	3,194
Utility operations	0	74,778	74,778	74,655
Interest on long-term debt	0	-	-	-
Total expenses	423,734	74,778	498,512	496,109
Increase (Decrease) in net assets	153,637	16,774	170,411	(56,573)
Beginning net assets	1,577,030	700,571	2,277,601	2,334,174
Ending net assets	\$ 1,730,668	\$ 717,345	\$ 2,448,013	\$ 2,277,601

The increase in net assets during 2006 of approximately \$170,400 primarily relates to increases in Capital grants and an increase in sales tax revenues. Also, the Village recorded depreciation associated with governmental capital assets of approximately \$105,750.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

General government operations of the Village are accounted for in the General Fund and Special Revenue – Fire Protection Fund. The focus of these funds, as noted earlier, is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Village's financing requirements. The following is a summary of general governmental operations for the year ended December 31, 2006, by fund type:

	General Fund 2006	Special Revenue- Fire Protection Fund 2006	Total 2006	Total 2005
Revenues	\$ 440,802	\$ 151,180	\$ 591,981	\$ 393,979
Expenditures	275,764	105,365	381,129	368,560
Surplus (deficit)	165,038	45,815	210,853	25,419
Transfers in (out)	(14,266)	5,701	(8,565)	(9,000)
Surplus (deficit) after Transfers in (out)	150,772	51,516	202,288	16,419
Fund balance, January 1, 2006	37,642	103,532	141,173	124,755
Fund Balance, December 31, 2006	\$ 188,413	\$ 155,048	\$ 343,461	\$ 141,174

The Village's governmental funds experienced an increase of \$210,853 in 2006. At year end, fund balances were approximately \$343,461. Approximately \$188,413 is unrestricted and available to meet the Village's obligations to its citizens. The remainder is restricted to fire protection activities.

The General Fund is the chief operating fund of the Village. At the end of 2006, fund balance in the General Fund was approximately \$188,413 compared to \$37,642 at the end of 2005.

The Village's other major fund is the Special Revenue – Fire Protection Fund. Sources of revenues are summarized below.

Source of Revenue

	2006		2005	
	Revenues	Percent	Revenues	Percent
Sales Taxes	\$ 119,114	79%	\$ 79,514	98%
Intergovernmental Revenue - FEMA Grant	\$ 27,587	18%	\$ -	
Interest on Investment	4,479	3%	2,013	2%
Total	\$ 151,180	100%	\$ 81,527	100%

The primary source of revenue in the Special Revenue-Fire Protection Fund is from sales taxes. Sales tax revenues of \$119,114, \$27,587 in grants, and \$4,479 in Interest on investment make up the total \$151,180 in Special Revenue – Fire Protection Fund revenues.

Expenditures for general governmental functions for each major function are summarized below.

Summary of General Government expenditures				
Function	2006		2005	
	Expenditures	Percent	Expenditures	Percent
General government	\$ 112,029	41%	\$ 113,901	35%
Public safety	28,688	10%	29,301	9%
Public services	112,607	41%	131,756	41%
Capital outlay	22,440	8%	47,358	15%
Total	<u>\$ 275,764</u>	<u>100%</u>	<u>\$ 322,316</u>	<u>100%</u>

BUDGETARY HIGHLIGHTS

During the year, the Village's General Fund and Special Revenue - Fire Protection Fund budgets were amended once. Amending the budget is a customary practice of municipalities to reflect changes that occur with financially related matters throughout the year. The most significant changes during 2006 were as follows:

- The General Fund budget was amended once primarily to reflect anticipated increase in receipts of sales tax revenues and other taxes and licenses of approximately \$18,600, an increase in anticipated fines and forfeitures of approximately \$3,000, expected grant revenue of \$23,200 and sale of fixed assets of \$4,000.
- The Special Revenue - Fire Protection Fund was amended primarily to reflect anticipated increase in sales tax funds of approximately \$6,000, and a decrease of anticipated FEMA grant funds of \$14,000.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

	Governmental Activities 2006	Business-type Activities 2006	Total Primary Government 2006	Total Primary Government 2005
Land	\$ 151,373		\$ 151,373	\$ 151,373
Construction in Progress		\$ 44,035	\$ 44,035	-
Buildings	367,335		367,335	348,733
Vehicles and equipment	310,113	40,387	350,500	351,658
Utility plant		588,424	588,424	628,343
Improvements other than buildings	548,439		548,439	577,407
Total assets, net of depreciation	<u>\$ 1,377,260</u>	<u>\$ 672,846</u>	<u>\$ 2,050,106</u>	<u>\$ 2,057,514</u>

There were two major projects ongoing during 2006 in governmental activities:

Installation of culverts, phase two of LA 76 project	\$ \$32,500
Installation of culverts, Deer Buck Run project	\$ 25,000

Debt Administration

There were no long-term debts outstanding for the year ending December 31, 2006.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Many factors must be considered when setting the next year's budget, mainly the economy. An important factor affecting the Village of Rosedale's budget is anticipated sales tax collections. The Village participates in a parish-wide sales and use tax. The largest taxpayers in the parish are primarily companies involved in the petrochemical processing industry located throughout Iberville Parish. These industries, along with agricultural operations, can significantly impact the Village's revenues. Prospects for 2006 look good from a sales tax perspective.

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the Village's finances and to show accountability for the money it receives. If you have any questions about this report, contact the Village Clerk's office at (225) 648-2333, or write to the Village of Rosedale, Post Office Box 167, Rosedale, LA 70772.

BASIC FINANCIAL STATEMENTS

**Village of Rosedale
Statement of Net Assets
December 31, 2006 and 2005**

	<u>Primary Government</u>			
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>2006 Totals</u>	<u>2005 Totals</u>
ASSETS:				
Cash and cash equivalents				
Cash on hand and in banks	\$77,471	\$38,877	\$116,348	\$30,956
Investment in LAMP	231,714	40,025	271,739	161,426
Accounts receivable (net)				
Sales tax	55,334	0	55,334	21,132
Franchise	5,691	0	5,691	7,881
Others	42	4,173	4,215	3,895
Due from other governments	3,766	0	3,766	5,386
Due from other funds	0	0	0	351
Prepays	9,947	723	10,670	10,112
Capital assets:				
Land	151,373	0	151,373	151,373
Construction in progress	0	44,035	44,035	0
Distribution system	0	1,104,311	1,104,311	1,104,311
Buildings	566,229	0	566,229	533,049
Improvements other than buildings	906,321	0	906,321	903,567
Property and equipment	800,624	56,254	856,878	810,318
Less: accumulated depreciation	(1,047,290)	(531,754)	(1,579,044)	(1,445,103)
Total assets	1,761,224	756,644	2,517,868	2,298,653
LIABILITIES:				
Accounts payable	16,201	969	17,170	7,826
Contracts payable	0	38,285	38,285	0
Accrued liabilities	5,363	45	5,408	5,351
Due to other funds	0	0	0	351
Due to other governments	3,102	0	3,102	84
Compensated absences payable	5,890	0	5,890	7,439
Total liabilities	30,556	39,299	69,855	21,051
NET ASSETS:				
Invested in capital assets, net of related debt	1,222,212	672,846	1,895,058	1,953,982
Restricted	155,048	0	155,048	103,532
Unrestricted	353,408	44,499	397,907	220,086
Total net assets	\$1,730,668	\$717,345	\$2,448,013	\$2,277,600

The accompanying notes to the financial statements are an integral part of this statement

Village of Rosedale
Statement of Activities
For the Year Ended December 31, 2006 and 2005

Functions/Programs	Program Revenues			Net (Expense)Revenue and Changes in Net Assets		
	Expenses	Charges for Services		Primary Government		2005 Total
		Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	
Primary government:						
Governmental activities -						
General government	139,057	0	0	(139,057)	0	(141,369)
Public safety	148,146	5,312	10,893	(107,851)	0	(117,730)
Public services	133,338	6,898	3,249	(122,051)	0	(131,247)
Culture and recreation	3,193	0	0	(3,193)	0	(3,194)
Interest on long-term debt	0	0	0	0	0	0
Total governmental activities	423,734	12,210	14,142	(372,151)	0	(393,540)
Business-type activities -						
Water utilities	74,778	45,326	0	0	6,533	(30,615)
Total business-type activities	74,778	45,326	0	0	6,533	(30,615)
General revenues						
General purpose sales and use tax				349,683	349,683	220,579
Public safety sales and use tax				119,114	119,114	79,514
Franchise taxes				32,240	32,240	29,047
Occupational license				18,672	18,672	18,589
Other taxes				1,175	1,175	904
Investment income				6,636	1,676	4,619
Other income				6,834	6,834	11,930
Donations				0	0	2,400
Transfers				(8,565)	8,565	0
Total general revenues and transfers				525,789	10,241	367,592
Change in net assets				153,637	16,774	(56,573)
Net assets, January 1,				1,577,030	700,571	2,334,174
Net assets, December 31,				\$1,730,668	\$717,345	\$2,277,601

The accompanying notes to the financial statements are an integral part of this statement.

Village of Rosedale, Louisiana
Balance Sheet
Governmental Funds
December 31, 2006 and 2005

	General Fund	Special Revenue Fire Protection Fund	2006 Total	2005
ASSETS				
Cash and cash equivalents -				
Cash on hand and in banks	\$57,677	\$19,794	\$77,471	\$28,929
Investments in LAMP	105,450	126,264	231,713	97,577
Receivables -				
Sales taxes	41,789	13,545	55,334	21,132
Franchise taxes	5,691	0	5,691	7,881
Other receivables - employees	42	0	42	92
Due from other funds	0	0	0	222
Due from other governments	3,766	0	3,766	5,386
Prepaid expenses	0	0	0	0
Total Assets	\$214,415	\$159,602	\$374,017	\$161,219
LIABILITIES AND FUND BALANCES				
Accounts payable	\$14,867	\$1,334	\$16,201	\$6,945
Accrued liabilities	5,245	118	5,363	5,303
Due to other funds	0	0	0	274
Due to other governments	0	3,102	3,102	84
Liabilities for compensated absences	5,890	0	5,890	7,439
Total Liabilities	26,001	4,554	30,556	20,046
Fund Balances -				
Restricted	0	155,048	155,048	103,532
Unrestricted	188,413	0	188,413	37,642
Total Fund Balances	188,413	155,048	343,461	141,173
Total Liabilities and Fund Balances	\$214,415	\$159,602	\$374,017	\$161,219

The accompanying notes to the financial statements are an integral part of this statement.

Village of Rosedale
Reconciliation of the Balance Sheet to the Statement of Net Assets
Governmental Funds
December 31, 2006 and 2005

	2006	2005
Fund Balances - total governmental funds	\$ 343,461	\$ 141,173
Amounts reported for governmental activities in the Statement of Net Assets are different because:		
Capital assets used in governmental activities are not financial resources therefore are not reported in governmental funds		
Governmental capital assets	2,424,550	2,385,078
Less: accumulated depreciation	<u>(1,047,290)</u>	<u>(958,486)</u>
	1,720,721	1,567,765
Prepaid insurance premiums in governmental activities are not recognized as expenditures for governmental funds	<u>9,947</u>	<u>9,265</u>
Net Assets of Governmental Funds	<u><u>\$1,730,668</u></u>	<u><u>\$1,577,030</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

Village of Rosedale, Louisiana
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
Years ended December 31, 2006 and 2005

	General Fund	Special Revenue Fire Protection Fund	Total	2005
REVENUES:				
Taxes and licenses	\$400,595	\$119,114	\$519,709	\$347,728
Intergovernmental revenue	16,178	27,567	43,765	22,291
Charges for services	6,898	0	6,898	6,898
Fines and forfeitures	5,312	0	5,312	2,496
Interest income	2,157	4,479	6,636	3,102
Miscellaneous	5,655	0	5,655	9,063
Donations	0	0	0	2,400
Sale of fixed assets	4,007	0	4,007	0
	<hr/>			
Total revenues	440,802	151,180	591,982	393,978
EXPENDITURES:				
Current -				
General government	112,029	0	112,029	113,901
Public safety	28,688	65,342	94,030	72,609
Public works	112,607	0	112,607	131,756
Capital outlay	22,440	40,023	62,463	50,293
	<hr/>			
Total expenditures	275,764	105,365	381,129	368,560
	<hr/>			
Excess Revenues Over (Under) Expenditures	165,038	45,815	210,853	25,419
OTHER FINANCING SOURCES (USES):				
Transfers in	0	5,701	5,701	7,393
Transfers (out)	(14,266)	0	(14,266)	(16,393)
	<hr/>			
Total Other Financing Sources (Uses)	(14,266)	5,701	(8,565)	(9,000)
	<hr/>			
Net Change in Fund Balances	150,771	51,516	202,287	16,418
FUND BALANCE:				
Beginning of Year	37,642	103,532	141,173	124,755
	<hr/>			
End of Year	\$188,413	\$155,048	\$343,460	\$141,173
	<hr/>			

The accompanying notes to the financial statements are an integral part of this statement.

Village of Rosedale
Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances to the Statement of Activities
Governmental Funds
Year Ended December 31, 2006 and 2005

	2006	2005
Net Change in Fund Balances - total governmental funds	\$ 202,287	\$ 16,418
Amounts reported for governmental activities in Statement of Net Assets are different because:		
Expenditures in the Statement of Activities that do not use current financial resources are not reported as expenditures in the funds		
Current year	9,947	9,265
Prior year	(9,265)	(8,741)
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is depreciated over their estimated useful lives:		
Expenditures for capital assets	62,463	50,293
Less current year depreciation	(105,749)	(103,711)
Governmental funds report income from equal to the proceeds from sale of capital assets whereas, the Statement of Activity reports gain or loss which reflects book value of assets when sold.	(6,046)	0
Net difference	(48,650)	(52,894)
Change in Net Assets of Governmental Funds	\$153,637	(\$36,476)

The accompanying notes to the financial statements are an integral part of this statement.

Village of Rosedale
Statement of Net Assets
Proprietary Funds
For the Year Ended December 31, 2006 and 2005

- Business-type Activities -
Enterprise Fund - Water System

	2006	2005
ASSETS		
Current assets -		
Cash and cash equivalents - Cash on hand and in checking	\$38,877	\$2,026
Cash and cash equivalents - LAMP	40,025	63,849
Accounts receivable	4,173	3,803
Due from other funds	0	129
Prepaid expenses	723	848
	<hr/>	<hr/>
Total Current Assets	83,797	70,654
Noncurrent assets -		
Capital assets		
Construction in progress	44,035	0
Distribution systems	1,104,311	1,104,311
Property and equipment	56,254	13,228
Less: accumulated depreciation	(531,754)	(486,617)
	<hr/>	<hr/>
Property and equipment, net	672,846	630,922
	<hr/>	<hr/>
Total Noncurrent Assets	672,846	630,922
	<hr/>	<hr/>
Total Assets	\$756,643	\$701,576
	<hr/>	<hr/>
LIABILITIES		
Current liabilities -		
Accounts payable	\$969	\$881
Contracts payable	38,285	0
Accrued liabilities	45	48
Due to other funds	-	77
	<hr/>	<hr/>
Total Current Liabilities	39,299	1,005
	<hr/>	<hr/>
Total Liabilities	39,299	1,005
	<hr/>	<hr/>
NET ASSETS		
Invested in capital assets, net of related debt	672,846	630,922
Unrestricted	44,499	69,649
	<hr/>	<hr/>
Total Net Assets	\$717,345	\$700,571
	<hr/>	<hr/>

The accompanying notes to the financial statements are an integral part of this statement.

Village of Rosedale, Louisiana
Statement of Revenues, Expenses and Changes in Net Assets
Proprietary Fund
Year ended December 31, 2006 and 2005

- Business-type Activities -
Enterprise Fund - Water System

	2006	2005
OPERATING REVENUES		
Charges for services	\$43,566	\$41,477
Connection/reconnection fees	1,625	2,371
Miscellaneous income	135	192
	<hr/>	<hr/>
Total Operating Revenue	45,326	44,040
OPERATING EXPENSES		
Personnel services	8,565	9,000
Maintenance, operations and supplies	6,841	11,442
Water purchases	411	1,365
Current used in pumping	7,738	5,568
Office, postage and communications expense	2,591	2,178
Insurance	2,305	2,513
Contractual services	1,190	1,675
Depreciation	45,137	40,914
	<hr/>	<hr/>
Total Operating Expense	74,778	74,654
	<hr/>	<hr/>
Operating Income (Loss)	(29,452)	(30,615)
	<hr/>	<hr/>
NON-OPERATING REVENUES (EXPENSES)		
Grant revenue - Dept. Homeland Security	35,985	0
Interest income	1,676	1,517
	<hr/>	<hr/>
Total Nonoperating Revenues (Expenses)	37,661	1,517
	<hr/>	<hr/>
Income (Loss) before transfers	8,209	(29,097)
	<hr/>	<hr/>
Transfers in - General fund	8,565	9,000
	<hr/>	<hr/>
Change in net assets	16,774	(20,097)
	<hr/>	<hr/>
Total net assets, beginning of year	700,571	720,668
	<hr/>	<hr/>
Total net assets, end of year	\$717,345	\$700,571
	<hr/>	<hr/>

The accompanying notes to the financial statements are an integral part of this statement.

Village of Rosedale, Louisiana
Statement of Cash Flows
Proprietary Fund
Year ended December 31, 2006 and 2005

	- Business-type Activities - Enterprise Fund - Water System	
	2006	2005
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	44,956	44,863
Cash payments for goods and services	(20,814)	(24,557)
Cash payments for salaries	(8,565)	(9,000)
Net Cash Provided by (Used for) Operating Activities	<u>15,577</u>	<u>11,306</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Transfers in from general fund	8,565	9,000
Net Cash Provided by (Used for) Noncapital financing activities	<u>8,565</u>	<u>9,000</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Dept. Homeland Security grant proceeds	35,985	0
Acquisition and construction of capital assets	(48,776)	0
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>(12,791)</u>	<u>0</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest on Investments	1,676	1,517
Net Cash Provided by (Used for) Investing Activities	<u>1,676</u>	<u>1,517</u>
INCREASE (DECREASE) IN CASH	13,026	21,824
CASH AND CASH EQUIVALENTS, BEGINNING	65,875	44,051
CASH AND CASH EQUIVALENTS, ENDING	\$ 78,901	\$ 65,875
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES		
Operating income (loss)	(29,452)	(30,615)
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:		
Depreciation	45,137	40,914
Net Changes in Assets and Liabilities -		
(Increase) decrease in accounts receivable - customers	(370)	823
(Increase) decrease in prepaid expenses	125	(44)
(Increase) decrease in due from other funds	129	(129)
Increase (decrease) in accounts payable	88	281
Increase (decrease) in accrued liabilities	(3)	4
Increase (decrease) in due to other funds	(77)	72
Total adjustments	<u>45,029</u>	<u>41,921</u>
Net Cash provided by (used for) operating activities	<u>\$ 15,577</u>	<u>\$ 11,306</u>

The accompanying notes to the financial statements are an integral part of this statement.

Village of Rosedale, Louisiana
Notes to the Financial Statements
December 31, 2006

Introduction

The Village of Rosedale was incorporated August 2, 1955, under the provisions of Title 33, Chapter 2, Part 1, of the Louisiana Revised Statutes (Lawrason Act - Act No. 36 of 1898). The "Village" operates under a Mayor - Board of Aldermen form of government and provides the following services as authorized by its charter: public safety (police and fire), highways and streets, sanitation, recreation, public improvements, and general administrative services.

1. Summary of Significant Accounting Policies

A. Basis of Presentation

The accompanying basic financial statements of the Village have been prepared in conformity with governmental accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements. Although the Village has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds, the Village has chosen not to do so. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, issued in June 1999.

B. Reporting Entity

The Village's basic financial statements include the accounts of all Village operations. For financial reporting purposes, in conformance with GASB's Codification of Governmental Accounting and Financial Reporting Standards, and Financial Reporting Standards, the Village includes all funds that are controlled by the Village.

GASB Statement No. 14, *The Financial Reporting Entity*, established criteria for determining which component units should be considered part of a larger governmental reporting entity for financial reporting purposes. The basic criteria are:

- the organization is legally separate (can sue and be sued in their own name)
- the Village holds the corporate powers of the organization
- the Village appoints a voting majority of the organization's board
- the Village is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the Village
- there is fiscal dependency by the organization on the Village

Based on the aforementioned criteria, the Village of Rosedale has no component units.

Village of Rosedale, Louisiana
Notes to the Financial Statements
December 31, 2006

1. Summary of Significant Accounting Policies (Continued)

C. Basic Financial Statements – Government–Wide Statements

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the Village's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The Village's police and fire protection, parks and recreation, public works and general administrative services are classified as governmental activities. The Village's water services are classified as business-type activities.

In the government-wide Statement of Net Assets, both the governmental and business-type activities columns are presented on a consolidated basis by column and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Village's net assets are reported in three parts: invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. The Village utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions and business-type activities. The net costs by function are normally covered by general revenue. The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (public safety, public works and general administrative, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grant column reports capital-specific grants.

This government-wide focus is more on the sustainability of the Village as an entity and the change in the Village's net assets resulting from the current year's activities.

Program revenues – Program revenues included in the column labeled Statement of Activities are derived directly from Water System users as a fee for services; program revenues reduce the cost of the function to be financed from the Village's general revenues

D. Basic Financial Statements – Fund Financial Statements

The financial transactions of the Village are reported in individual funds in the financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The fund presented in the financial statements is described as follows:

Governmental Funds: Governmental Funds are those through which general governmental functions of the Village are financed. The focus of the governmental fund's measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses and balances of current financial resources) rather than upon net income. Expendable assets are assigned to funds according to the purpose for which they may be used. Current liabilities are

Village of Rosedale, Louisiana
Notes to the Financial Statements
December 31, 2006

1. Summary of Significant Accounting Policies (Continued)

D. Basic Financial Statements – Fund Financial Statements (Continued)

assigned to funds from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources that may be used to finance future period operations of the Village.

General Fund - The General Fund is the main operating fund of the Village. It is used to account for all financial resources not accounted for in other funds. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the General Fund.

Special Revenue Fund - The Special Revenue Fund is used to account for the proceeds of specific revenue resources (other than assessments, expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

Proprietary Fund Types: Proprietary Funds are accounted for on a flow of economic resources measurement focus. The accounting objectives are a determination of net income, financial position and changes in cash flow. All assets and liabilities associated with a Proprietary Fund's activities are included on its balance sheet. The following are the Village's Proprietary Funds:

Enterprise Fund - Used to account for operations that are financed and operated in a manner similar to private business enterprises where the costs (expenses, including depreciation) of providing water services to the general public on a continuing basis are financed through user charges.

E. Basis of Accounting

Basis of Accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It related to the timing of the measurements made regardless of the measurement focus applied.

Accrual: Both governmental and business-type activities in the government-wide financial statements and the proprietary fund financial statements are presented on the accrual basis of accounting. Non-exchange revenues, including intergovernmental revenues and grants, are reported when all eligibility requirements have been met. Fees and charges, and other exchange revenues are recognized when earned and expenses are recognized when incurred.

Village of Rosedale, Louisiana
Notes to the Financial Statements
December 31, 2006

1. Summary of Significant Accounting Policies (Continued)

E. Basis of Accounting (Continued)

Modified Accrual: The governmental fund financial statement is presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year-end. Intergovernmental revenues and grants are recognized when all eligibility requirements are met and the revenues are available. Expenditures are generally recognized when the related liability is incurred. Exceptions to this general rule include principal and interest on general obligation long-term debt, if any, is recognized when due, and employee vacation and sick leave, which are recognized when due and payable.

F. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from these estimates.

G. Budget Practices

The Village follows these procedures in establishing the budgetary data reflected in these financial statements:

1. A proposed budget is prepared and submitted to the Mayor and Board of Aldermen prior to the beginning of each fiscal year. The proposed budget is published in the official journal and made available for public inspection. A public hearing is called to obtain taxpayer comments.
2. The budget is adopted through passage of a ordinance prior to commencement of the fiscal year for which the budget is being adopted.
3. Budgetary amendments involving the transfer of funds from one department, program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require approval from the Board of Aldermen.
4. Budgets for the General and Special Revenue Funds are adopted on a GAAP basis therefore these funds utilize the same basis of accounting for both budgetary purposes and actual results. The Combined Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - for presents a comparison of budgetary data and actual results of operations for which budgets are legally adopted. Capital Projects Funds are budgeted over the life of the project and not on an annual basis therefore budgetary data for this fund has not been presented in the accompanying financial statements.
5. All budgetary appropriations lapse at the end of each fiscal year.
6. The level of budgetary control is total appropriations.

Village of Rosedale, Louisiana
Notes to the Financial Statements
December 31, 2006

1. Summary of Significant Accounting Policies (Continued)

H. Defining Operating Revenues and Expenses

The Village's proprietary funds distinguish between operating and nonoperating revenues and expenses. Operating revenues and expenses of the Village's water fund consists of charges for services and the costs of providing those services, including depreciation. All other revenues and expenses are reported as nonoperating.

I. Cash and Investments

State statutes authorize the Village of Rosedale to invest in United States bonds, treasury notes and bills, or certificates or time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a non-profit corporation formed by an initiative of the State Treasurer and organized under the state laws of the State of Louisiana, which operates a local government investment pool. Investments are stated at fair value.

J. Statement of Cash Flows

For purposes of the Statement of Cash Flows, the Proprietary Fund considers cash balances above the day to day needs and funds set aside for portfolio strategy reasons invested in demand deposits, certificates of deposit, obligations of the U. S. Treasury, federal agencies, or U. S. government instrumentalities with original maturities of 90 days or less to be cash equivalents. Investments in Louisiana Asset Management Pool (LAMP) are also considered cash equivalents. LAMP assets are restricted to maturities of 90 days or less, at balance sheet date.

K. Accounts Receivable

Bad debts are charged to operations in the year in which the account is determined uncollectible. If the reserve method of accounting for uncollectible accounts were used, it would not have a material effect on the financial statements.

L. Interfund Activity

Legally authorized transfers are included in the results of operations of both Governmental and Proprietary Funds. Advances between funds which are expected to be repaid are classified as the current receivable/liabilities, "Due to/from other funds".

The Village allocates to the Special Revenue and Enterprise Funds a percentage of salaries and wages and related costs of personnel who perform services for the Fire Department and Water System but were paid through the General Fund. During the year ending December 31, 2006, the Village allocated \$14,266 in salaries to those funds. The Special Revenue and Enterprise Fund allocations were classified as "Transfers In - General Fund."

Village of Rosedale, Louisiana
Notes to the Financial Statements
December 31, 2006

1. Summary of Significant Accounting Policies (Continued)

M. Capital Assets

Capital assets purchased or acquired are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	40 Years
Land improvements	20 Years
Water distribution system	20 Years
Mowers, tractors and attachments	15 Years
Fire trucks	15 Years
Fire fighting equipment	10 Years
Light trucks & equipment	5 Years

N. Compensated Absences

Employees of the Village earn personal leave (vacation or sick leave) at various rates depending upon length of employment. The maximum leave time which may be accumulated is an amount equal to the number of days which can be earned by the employee during a twenty-four month period. Employees who resign or retire, or who are dismissed from employment shall not be paid for accrued leave.

Compensatory leave may be earned by a full-time employee and by the municipal clerk at time and one-half for overtime work and for work required on an observed holiday whenever the employee or clerk is not paid compensation for such work. Any employee who accrues two hundred forty hours of compensatory leave shall, for any additional overtime hours or work, be paid overtime compensation at time and one-half rate. Upon separation, each employee shall be paid the value of his accrued compensatory leave in a lump sum.

O. Government-wide and Proprietary Fund Net Assets

Government-wide and proprietary fund net assets are divided into three components:

- Invested in capital assets, net of related debt - consist of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets.
- Restricted net assets - consist of net assets that are restricted by the Village's creditors, by the state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by any other contributors.
- Unrestricted - all other net assets are reported in this category.

Village of Rosedale, Louisiana
Notes to the Financial Statements
December 31, 2006

2. Deposits (Cash) and Investments

Cash (deposits) is comprised of demand deposits in banks. At year end the book balance of the Village's deposits totaled \$72,866 and the bank balance was \$77,685 which was insured from risk by federal deposit insurance. Cash also includes petty cash of \$100 and cash on hand of \$43,381.

Investments held at December 31, 2006 include \$271,738 invested in the Louisiana Asset Management Pool, Inc. (LAMP) (see Summary of Significant Accounting Policies). In accordance with GASB Codification Section 150.165, the investment in LAMP is not categorized in the three risk categories provided by GASB Codification Section 150.164 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form. The LAMP portfolio includes only securities and other obligations in which local governments are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U. S. Treasury, the U. S. government or one of its agencies, as well as repurchase agreements collateralized by those securities. LAMP issues a publicly available financial report that included financial statements and required supplementary information for MPERS. The report may be obtained by calling 1-800-272-8162.

3. Intergovernmental Revenue and Receivables

Amounts due from other governmental units consist of the following:

General Fund -

Beer taxes due from the State of Louisiana	\$ 317
Highway Maintenance from LA Dept. of Transportation	3,449

	<u>\$ 3,766</u>

Intergovernmental revenue consists of the following:

General Fund -

Louisiana Beer Tax	\$ 1,175
FEMA	3,249
Louisiana Dept of Transportation	1,140
US Dept of Homeland Security	7,396
State Fire Insurance Rebate	3,218

	<u>\$ 16,178</u>

Village of Rosedale, Louisiana
Notes to the Financial Statements
December 31, 2006

4. Interfund Transactions

There were no interfund receivables and payables at December 31, 2006.

Interfund transfers In /(Out) are detailed as follows:

	<u>General Fund</u>	<u>Special Revenue Fire</u>	<u>Enterprise Fund - Water System</u>
Transfers:			
Salaries	(\$ 14,266)	\$ 5,701	\$ 8,565
	-----	-----	-----
	(\$ 14,266)	\$ 5,701	\$ 8,565
	=====	=====	=====

5. Capital Assets

A summary of the general capital assets is as follows:

	<u>Balance 1/1/2006</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance 12/31/2006</u>
Governmental Activities				
Non-depreciable: Land	\$ 151,373	\$ -	\$ -	\$ 151,373
Total Non-depreciable	151,373	0	0	151,373
Depreciable:				
Buildings	533,049	33,879	(699)	566,229
Improvements other than buildings	903,567	2,754		906,321
Machinery & equipment	797,090	25,829	(22,292)	800,627
Total Depreciable	2,233,705	62,463	(22,991)	2,273,177
Less: Accumulated depreciation				
Buildings	184,316	14,930	(351)	198,894
Improvements other than buildings	326,160	31,722		357,882
Machinery & equipment	448,011	59,097	(16,593)	490,514
Total	958,486	105,749	(16,945)	1,047,290
Net Book Value	1,275,219			1,225,886
Governmental Activities Capital Assets, net	<u>\$1,426,592</u>			<u>\$1,377,260</u>

Village of Rosedale, Louisiana
Notes to the Financial Statements
December 31, 2006

5. Capital Assets (Continued)

Depreciation expense charged to various functions in the governmental funds is as follows:

General government	\$ 24,778
Public safety - police & fire	54,776
Public services	23,003
Culture & recreation	3,193
	<u>\$ 105,749</u>

A summary of proprietary fund type property, plant and equipment at December 31, 2006 follows:

Enterprise Fund - Water System:

Business-type Activities				
Non-depreciable - Construction in progress	\$ -	\$ 44,035	\$ -	\$ 44,035
Total	0	44,035	0	44,035
Depreciable:				
Distribution system	1,104,311	0		1,104,311
Machinery & equipment	13,228	43,026		56,254
Total	1,117,539	43,026	0	1,160,565
Less: Accumulated depreciation				
Distribution system	475,968	39,919		515,887
Machinery & equipment	10,649	5,218		15,867
Total	486,617	45,137	0	531,754
Business-type Activities Capital Assets, net	<u>\$ 630,922</u>			<u>\$ 672,846</u>

Village of Rosedale, Louisiana
Notes to the Financial Statements
December 31, 2006

6. Pension Plans

Municipal Employees' Retirement System -

Plan Description Substantially all of the Village of Rosedale's full time employees participate in the Municipal Employees' Retirement System ("MERS") - Plan "A", a cost sharing multiple-employer defined benefit pension plan administered by the Louisiana Municipal Employee's Retirement System. All Village full-time employees are eligible to participate in the System. Employees who retire at or after age 55 with 30 years of credited service and at or after 60 with 10 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3 % of their final compensation for each year of creditable service. Final compensation is the employee's average highest compensation for 36 consecutive months. Benefits fully vest on reaching 10 years of service. Vested employees may retire before age 60 and receive reduced retirement benefits. The System also provides death and disability benefits. Benefits are established by State statute. The Municipal Employees' Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for MERS. The report may be obtained by calling 1-225-925-4810.

Funding Policy The payroll for employees covered by the System for the year ended December 31, 2006 was \$ 71,965; the Village's total payroll was \$153,046. Covered employees are required by State statute to contribute 9.25% of their salary to the System. The Village is required by the same statute to contribute 16% (January through June) and 16.25% (July through December) of the employee's eligible compensation quarterly to the System. The contribution requirement for the year ended December 31, 2006 was \$18,559 which consisted of \$11,602 from the Village and \$6,957 from employees.

7. Risk Management

The Village purchases commercial insurance to protect against risk of loss in these areas: workers' compensation liability, general liability, law enforcement liability, public officials' errors and omissions, automobile liability and physical damage coverage and property fire coverage. There have been no significant reductions in coverage since the prior year

9. Economic Dependence

The Village of Rosedale received 79% of its total revenue from parish sales tax . Proceeds of the 1% sales tax are to be used for the purposes of opening, constructing, paving and improving streets, sidewalks, roads and alleys, constructing bridges, purchasing or constructing waterworks, sewers, drains, drainage canals, pumping plants, sewerage disposal works, light and power plants, gas plants, halls, jails, fire departments' stations, and equipment, hospitals, auditoriums, public parks, natatoriums, libraries, docks, wharves, river terminals and other public buildings, including the necessary equipment and furnishings there for. The 2/3% sales and use tax are dedicated to be used by the Village to pay the cost of capital outlay projects; to maintain and operate public facilities, to administer local governments, and to provide other lawful services. Additionally, proceeds of the 2/3% sales and use tax provided by the Iberville Parish Council are dedicated for fire protection for the Village.

REQUIRED SUPPLEMENTARY INFORMATION

Village of Rosedale, Louisiana
 Budgetary Comparison Schedule
 General Fund
 For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>	<u>2005</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget</u>	<u>Actual Amounts</u>
				<u>Over (Under)</u>	<u>(Budgetary Basis)</u>
RESOURCES (INFLOWS):					
Taxes and licenses	\$263,300	\$281,900	\$400,595	\$118,695	\$268,214
Intergovernmental revenue	3,550	34,800	16,178	(18,622)	22,291
Charges for services	6,900	6,900	6,898	(2)	6,898
Fines & Forfeitures	2,000	5,000	5,312	312	2,496
Interest income	500	2,000	2,157	157	1,089
Miscellaneous	3,200	4,300	5,655	1,355	9,063
Donations	0	0	0	0	2,400
Sale of fixed assets	0	4,000	4,007	7	0
Amounts Available for Appropriation	279,450	338,900	440,802	101,902	312,452
CHARGES TO APPROPRIATIONS -					
(OUTFLOWS)					
General administration	106,214	113,574	112,029	1,545	113,901
Public safety - Police	30,500	30,200	28,688	1,512	29,301
Public works - Streets & sanitation	125,700	111,200	112,607	(1,407)	131,756
Capital outlay	16,500	69,027	22,440	46,587	47,358
Total expenditures	278,914	324,001	275,764	48,237	322,317
Excess (Deficiency) of Resources Over					
Charges to Appropriations	536	14,899	165,038	150,139	(9,866)
OTHER FINANCING SOURCES (USES):					
Operating transfers (out)	(14,899)	(14,899)	(14,266)	633	(16,393)
Total Other Financing Sources (Uses)	(14,899)	(14,899)	(14,266)	633	(16,393)
Excess (Deficiency) of Resources Over					
Charges to Appropriations	(14,363)	0	150,771	150,771	(26,259)
Beginning Fund Balance	25,775	37,645	37,642	(3)	63,900
Ending Fund Balance	\$11,412	\$37,645	\$188,413	\$150,768	\$37,642

Village of Rosedale, Louisiana
 Budgetary Comparison Schedule
 Special Revenue Fund - Fire Protection
 For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>	<u>2005</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget</u>	<u>Actual Amounts</u>
				<u>Over (Under)</u>	<u>(Budgetary Basis)</u>
RESOURCES (INFLOWS):					
Taxes and licenses	\$80,000	\$86,000	\$119,114	\$33,114	\$79,514
Intergovernmental revenue	42,000	28,000	27,587	(413)	0
Interest income	2,000	4,200	4,479	279	2,013
Amounts Available for Appropriation	124,000	118,200	151,180	32,980	81,527
CHARGES TO APPROPRIATIONS					
(OUTFLOWS):					
Public safety - Fire	68,650	68,800	65,342	3,458	43,307
Capital outlay	50,000	42,500	40,023	2,477	2,935
Total expenditures	118,650	111,300	105,365	5,935	46,243
Excess (Deficiency) of Resources Over Charges to Appropriations	5,350	6,900	45,815	38,915	35,284
OTHER FINANCING SOURCES (USES):					
Operating transfers (in)	5,609	5,609	5,701	92	7,393
Total Other Financing Sources (Uses)	5,609	5,609	5,701	92	7,393
Excess (Deficiency) of Resources Over Charges to Appropriations	10,959	12,509	51,516	39,007	42,677
Beginning Fund Balance	60,855	103,532	103,532	(0)	60,855
Ending Fund Balance	\$71,814	\$116,041	\$155,048	\$39,007	\$103,532
	=====	=====	=====	=====	=====

Village of Rosedale, Louisiana
Schedule of Per Diem and Paid to the Mayor and Board Members
Year ended December 31,2006

	Total
Mayor -	
Lawrence J. Badeaux	\$9,600
Members of the Board of Aldermen -	
Kevin Gant	4,800
Randel J. Badeaux	4,800
Phillip Faveroth, Jr.	4,800

	\$24,000
	=====

Village of Rosedale, Louisiana
Schedule of Audit Findings
December 31, 2006

Current Year Findings:

A. Summary of Audit Results

1. The auditor's report expresses an unqualified opinion on the basic financial statements of the Village of Rosedale.
2. No reportable conditions were disclosed during the audit of the basic financial statements in the report on compliance and on internal control over financial reporting based on an audit of financial statements performed in accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the basic financial statements of the Village of Rosedale were disclosed during the audit.

B. Findings - Financial Statements Audit

There were no findings.

Village of Rosedale, Louisiana
Schedule of Prior Year Audit Findings
December 31, 2006

Prior Year Findings:

There were no prior year findings.